

GAS ROYALTY CALCULATION INFORMATION BULLETIN April 2008

A. PRICING RATES AND TRANSPORTATION INFORMATION	
Pricing, Royalty Rates and Transportation Information – February 2008	2
B. NOTICES	
Turnaround Time for Allowable Cost (AC) Submissions	2
Annual Operating Cost Adjustments for 2003, 2004, 2005, 2006 and 2007 Production Years	2
Discontinuation of Operating Cost Survey for Non-Designated ERCB Facilities	2
Monthly Sulphur Corporate Average Price Calculation – VA4 Form	3
C. MONTHLY INFORMATION	
February 2008 Royalty Due May 31	4
March 2008 VA4 Due May 15	5
Registry Deadline Submissions	5
Interest Rate April 2008	5
January Provisional Assessment Charge	5
January Penalty Charges	5
Gas Royalty Calculation Support	6
D. INFRASTRUCTURE DATA CHANGES	
Client ID Listing	6
Projects/Blocks	7
Client Status Changes	7
Nova Tolls – Multiple Gas Reference Prices	7
E. REMINDERS	
Royalty Liabe Gas Used for Fuel (PURREC and PURDISP)	7
Weighted Average Aggregator Overhead Marketing and Administration Charges (OMAC)	8
Annual Weighted Average Gas Reference Price	8
Historical Pricing and Royalty Data	8
Assessment of Late Filing Penalties - Grace Periods	8
Raw Gas Allocation (RGA)	8
F. POINTS OF CONTACT	
Petroleum Registry of Alberta	9
Alberta Energy Internet	9
Gas Royalty Client Services	9
Reference Prices and Valuation Allowances Calculation Information	11

PLEASE ENSURE YOUR PRODUCTION ACCOUNTANTS RECEIVE A COPY OF THIS DOCUMENT.
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A. PRICING RATES AND TRANSPORTATION INFORMATION

For Pricing, Royalty Rates and Transportation Information for February 2008, refer to Attachments 1, 1A, 2, 2A, and 3. These attachments are also available in Excel format.

B. NOTICES

Turnaround Time for Allowable Cost (AC) Submissions

Facility Cost Centre Set-up/Change (AC1)

With the March 1 deadline of AC1 submissions for 2007, new FCC set-ups submitted through batch or on-line will be processed by the department within a half-day turnaround time and these requests will not be delayed due to an invoice cycle. All other FCC changes will be processed overnight and will not occur during an invoice cycle. AC1s submitted on the weekend and on any statutory holiday will not be processed until the next business day.

Annual Allowable Cost Submissions (AC2, AC3, AC4 and AC5)

AC2, AC3, AC4 and AC5 are processed nightly except:

- During an invoice cycle, and
- Submissions made on a weekend or on any statutory holiday, which will not be processed until the next business day.
- Submissions made after the monthly deadline (15th of the month or the next business day if the 15th falls on a weekend) will not appear on the Petroleum Registry until after the invoice cycle.

Annual Operating Cost Adjustments for 2003, 2004, 2005, 2006 and 2007 Production Years

Royalty Clients may have a charge type on their February 2008 invoice titled "Annual Operating Cost Adjustment". This adjustment represents the difference between the actual annual operating costs and the accumulated estimated monthly unit operating cost rate (UOCR) deductions, including any prior annual adjustments, for a production year. Two reports are included with the invoice titled Annual Operating Cost Adjustment Details and Annual Operating Cost Adjustment Summary. Annual Operating Cost Adjustments are processed once a year and the adjustments will be identified in the February invoice issued in April. The results of the 2008 UOCR calculation process are published on the department website <http://www.energy.gov.ab.ca/NaturalGas/731.asp>. Please select **Unit Operating Cost Rates** to view the most recent UOCR calculations. For additional information, please refer to the March 2004 Supplement Information Bulletin 04-03A or contact your Gas Royalty Client Services portfolio representative as identified in Section F of this Bulletin.

Discontinuation of Operating Cost Survey for Non-Designated ERCB Facilities

Under the Hybrid Model UOCR regime introduced in 2005, an operating cost survey was used to determine compression and gathering rate components among non-designated ERCB facilities, based on a sample of actual operating costs at each plant class for two selected production years.

The operating cost survey was to be conducted every five years, where a new statistical survey would be conducted to determine the survey sample. For the intervening years between operating cost surveys, the gathering and compression rates for non-designated ERCB facilities were escalated from the prior year's rates using an index based on the rate of change of similar costs in designated ERCB facilities.

Effective with the New Royalty Framework for the 2009 production year, operating costs will be distributed to owners of each facility in a similar manner as capital costs. This method of distribution does not require a Unit Operating Cost Rate (UOCR) and there is no subsequent need to recapture operating costs from non-owners. As a result, the next operating cost survey which was to be conducted in 2008, based on operating cost information for the 2006 and 2007 production years, is no longer required. Survey rates will continue to apply to the production years prior to 2009 and will be updated annually until the last production year becomes statute barred from further amendments.

For additional information, please contact your Gas Royalty Client Services portfolio representative as identified in Section F of this Bulletin.

Monthly Sulphur Corporate Average Price Calculation – VA4 Form

The department requires royalty clients with an annual sulphur production of 30,000 tonnes or greater in the 2007 production year to file VA4 forms monthly, beginning with the January 2008 production month. The VA4 form is due on or before the 15th day of the second month following the respective production month. A royalty client whose annual sulphur production is less than 30,000 tonnes may choose to file the VA4 forms monthly beginning with January's production month; however, if this choice is made, the client must file VA4 forms for the entire year.

The department will use the VA4 forms to determine each client's monthly Sulphur Corporate Average Price (S-CAP) and the monthly sulphur default price. The department calculates each month's sulphur default price as the weighted average unit value of all arms length sales for all clients who filed VA4 forms for that month. The department will value and invoice the Crown royalty share of sulphur production monthly using the respective S-CAP price for clients who file VA4 forms, and the sulphur default price for clients who choose not to file VA4 forms. The VA4 form is subject to \$100 in late filing penalties for each month or part of the month the form is past due. The VA4 form for the production month of March 2008 is due in the department by May 15, 2008.

Royalty clients who file monthly VA4 forms must file annual VA3 forms. The VA3 form remains the primary sulphur valuation tool and the S-CAP determined from each VA3 will replace the entire year's monthly prices determined from the VA4 forms. The VA3 is due on or before April 15th of the year following the year of production. Interest is charged/paid on the Crown royalty difference when adjusting from monthly to annual valuation. The VA3 form is subject to a one-time \$1,000 late filing penalty.

The following royalty clients must submit VA4 forms effective with the 2008 production year, which includes any pricing information for each of its consolidated/amalgamated entities:

Client ID	Client Name	Client ID	Client Name
0G30	ARC RESOURCES LTD.	A0L6	FAIRBORNE PIVOTAL PRODUCTION PARTNERSHIP
0060	BP CANADA ENERGY COMPANY	0WW6	HIGHPINE ENERGY LTD.
0T82	CANADIAN FOREST OIL LTD.	0PF8	HUNT OIL COMPANY OF CANADA
0HE9	CANADIAN NATURAL RESOURCES	0R46	HUSKY OIL OPERATIONS LIMITED
0CW8	COMPTON PETROLEUM CORP.	0017	IMPERIAL OIL RESOURCES
0BL1	CONOCOPHILLIPS CANADA	0YT7	MANCAL ENERGY INC.
0W9D	CONOCOPHILLIPS CANADA (BRC) PARTNERSHIP	0226	NEXEN INC.
0FW6	CONOCOPHILLIPS CANADA RESOURCES CORP	0RA3	PENGROWTH CORPORATION
A162	DAYLIGHT ENERGY LTD.	0BP8	PENN WEST PETROLEUM LTD.
0F3F	DEVON CANADA	0246	PETRO-CANADA
0D7E	ENCANA OIL & GAS PARTNERSHIP	0N00	PRIMEWEST ENERGY INC.
A08J	ENERPLUS OIL & GAS LTD.	A2F0	SHELL CANADA ENERGY
0KT5	ESPRIT EXPLORATION LTD.	0054	SUNCOR ENERGY INC.
0JT1	EXXONMOBIL CANADA ENERGY	0039	TALISMAN ENERGY INC.

C. MONTHLY INFORMATION

February 2008 Royalty Due May 31

- **Royalty clients are to remit the total amount payable shown on the May 2008 Statement of Account by May 31, 2008.** If the amount payable includes accrued current period interest, the interest has only been accrued to the statement issue date. Clients must also include the additional interest that has accrued from the statement issue date to the date of payment, using the per diem amount provided.
- **The May 2008 Statement of Account shows your amount payable as of the Statement issue date. It includes any outstanding balances from your previous statement, your February 2008 Invoice amount and any applicable current period interest charges. It also identifies refunds resulting from overpayments.**
- Current period interest will not be charged on current invoice charges for the production month of February 2008 if it is paid in full by May 31, 2008.
- Current period interest will accrue on any overdue charges commencing the first day after the due-date until it is paid in full.

Note: If the due date falls on a non-business day, the next business day will apply as the due date.

- Cheques are payable to the Minister of Finance, Province of Alberta.

March 2008 VA4 Due May 15

The VA4 forms for the production month of March 2008 are due in the department offices by May 15, 2008.

Note: If the due date falls on a non-business day, the next business day will apply as the due date for VA4 forms.

Registry Deadline Submissions

The Registry deadline submissions for SAF, OAF, and Volumetrics are posted in the Petroleum Registry of Alberta website “Reporting Calendars” under Bulletin Board.

Changes to this calendar will be posted on the Registry website home page in “Broadcast Messages.”

Interest Rate April 2008

Alberta Energy’s interest rate for April 2008 is 6.25%.

January Provisional Assessment Charge

The summary of Provisional Assessment Charges for all production periods in the January 2008 billing period was:

First Time Provisional Assessment	Reversals of Provisional Assessments	Net Provisional Assessment
\$4,079,677.88	(\$6,089,120.75)	(\$2,009,442.87)

January Penalty Charges

The penalty table below shows at the form level, the total penalty charges and reversals, for the January 2008 billing period:

FORM	Penalty Charges	Penalty Reversals	Net Penalty Charges for 2008/01
AC2	\$15,700	(\$140,600)	(\$124,900)
AC4	\$0	(\$3,200)	(\$3,200)
AC5	\$1,100	\$0	\$1,100
GR2	\$0	\$0	\$0
NGL1	\$0	\$0	\$0
VA2	\$0	\$0	\$0
VA3	\$0	\$0	\$0
VA4	\$400	\$0	\$400
Total	\$17,200	(\$143,800)	(\$126,600)

Gas Royalty Calculation Support

Gas Royalty Calculation staff will be available monthly to meet with clients who need assistance with royalty reporting. Royalty clients requiring assistance are encouraged to call Richard Stokl, Manager, Client Services (780-422-9258) or e-mail richard.stokl@gov.ab.ca two business days before the meeting date to arrange an appointment. The March through July schedule is as follows:

Where:

AMEC Place
Room 437, 801-6 Avenue SW
Calgary, Alberta
Phone: 403-297-8954
(Industry must go to the 3rd Floor Reception upon arrival to sign-in and be given a visitor tag)

When – 10 am to 3 pm

May 29, 2008
June 26, 2008
July 31, 2008

D. INFRASTRUCTURE DATA CHANGES

Client ID Listing

The BA Identifiers Report is a directory of Business Associate (BA) names, codes, status (e.g. struck, active, amalgamated, etc.), status effective dates, and effective August 2004, includes Working Interest Owner (WIO) role start/end dates.

This report is also published daily on the Petroleum Registry website at:

<http://www.petroleumregistry.gov.ab.ca>

The department reminds Business Associates to review their WIO role to ensure the start and end dates are reflected correctly. If the BA does not have an active WIO role, the operators cannot allocate volumes to the BA for the relevant production periods through the SAF/OAF allocations.

- If a BA has a WIO role start date with no end date, then that BA can receive allocations from the stated start date forward.
- If a BA has a WIO role start and end date, then they can only receive allocations from the stated start date until the end date. Any allocations after the end date will be rejected.
- If a BA does not have a WIO role start date, then that BA cannot receive SAF/OAF allocations.

Please contact Client Registry at 780-422-1395 if you have any questions regarding the information supplied on this listing.

Projects/Blocks

If information is required on Projects or Blocks, please contact Isabelle Warwa at 780-427-8952.

Client Status Changes

Clients must ensure that all royalty documents are completed using only valid client names and IDs. It is critical that royalty clients use current legal client names and their appropriate IDs on all documents to ensure accurate royalty calculation and to prevent provisional assessment and penalties. Rejects will occur when invalid IDs are used.

If you require information regarding client names or IDs, please contact Client Registry at 780-422-1395.

Nova Tolls - Multiple Gas Reference Prices

Royalty information related to the implementation of the Factor Model negotiated with industry for determining Multiple Gas Valuation Prices is provided on the Natural Gas website's Royalty Related Information page under Facility Royalty Trigger Factors and Meter Station Ties.

E. REMINDERS

Royalty Liable Gas Used for Fuel (PURREC and PURDISP)

As noted in the December 2007 Information Bulletin, the department is reviewing volumetric disposition of gas, reported on the Petroleum Registry of Alberta (PRA) from batteries, gathering systems or gas plants to batteries or gathering systems for the purpose of fuel. The objective of the review is to ensure that all royalty liable fuel is accurately reported on PRA to facilitate Crown royalty calculation.

When there is a sale of gas or transfer of ownership within the royalty network the gas volume is subject to royalty. Where the gas is used for fuel, it must be reported as a "PURREC" (Purchased Receipt) by the operator receiving it.

For example: If a Gas Plant (GP) sells gas for fuel to a Battery (BT) each month, the reporting is:

1. The BT operator must report a PURREC.
2. This will auto populate a PURDISP at the GP.
3. The GP operator must then file a SAF/OAF for the PURDISP.

Please note that the seller of the gas that is used for fuel is not absolved from royalty liability and interest where the purchaser fails to report correctly. All parties should take steps to ensure that in network sales or transfers of gas are correctly reported.

Weighted Average Aggregator Overhead Marketing and Administration Charges (OMAC)

For Gas Corporate Average Price (CAP) filers, when determining the netback value, the weighted average OMAC type charges may be deducted for sales to non-designated aggregators. Refer to Chapter IV, Section 1.9.6.1 of the Guidelines for additional information.

The Weighted Average Aggregator OMAC (\$/GJ) for 2007 is \$0.019. Refer to Chapter IV, Sections 1.5.7 of the Guidelines for additional information.

Annual Weighted Average Gas Reference Price

The Annual Weighted Average Gas Reference Price for 2007 is \$5.89. This price is used in the calculation to determine the 2007 minimum price for the Gas Corporate Average Price. Refer to Chapter IV, Section 1.9.6.3 of the Guidelines for additional information.

Historical Pricing and Royalty Data

A listing of historical royalty related data for information purposes was published in the February 2008 Information Bulletin.

Assessment of Late Filing Penalties - Grace Periods

The department allows a 15-day grace period for a penalty levy on both the AC2-V2/V3 and AC5-V2/V3 submission if the submission is received on or before the due date but is rejected because of MRIS edits and the corrected system acceptable AC2-V2/V3 and AC5-V2/V3 is received within the grace period.

Please see Attachments 4 and 5 for calendar examples for both the AC2-V2/V3 and AC5-V2/V3 submission filing deadlines. The AC2 calendar identifies the number of possible days the submission may be amended and re-submitted prior to the penalty being levied. The AC5 calendar identifies the number of possible days the submission may be amended including the grace period. Once the grace period ends, any late AC5 submissions will incur a late filing penalty once the submission is received by the department.

If you have any questions, please contact your Gas Royalty Client Service portfolio representative as identified in Section F of this bulletin.

Raw Gas Allocation (RGA)

The Alberta Natural Gas Royalty Guidelines, 2006, Chapter IV, section 1.5.2 states that raw gas sold at arm's length is eligible for 80% gas reference price valuation. Gas sales are considered to be at non-arm's length if they are to related parties within the meaning of the Canadian Institute of Chartered Accountants (CICA) handbook.

In April 2008 calendar month, the MRIS system identified, retroactive to 2003, all non-arm's length raw gas sales and recalculated royalty payable and assessed at 100% reference price

valuation on gas and gas products. As noted in the December 2007 Information Bulletin, the department is reviewing RGA submissions for the production years 2003 onwards.

The User Defined File (UDF) handbook has been updated to reflect this change. This change may require modifications to industry software to accommodate non-arm's length raw gas sales.

To view the changes in the UDF handbook, go to the Natural Gas website's Royalty Related Information page, under Crown Royalty Detail Statement (April 2008).

For further information on the UDF handbook, please contact Penny White at 780-422-9261.

F. POINTS OF CONTACT

Petroleum Registry of Alberta

The Petroleum Registry of Alberta Service Desk is the focal point for communications with the Registry regarding preparations for, access to, or utilization of the Registry. To contact the Petroleum Registry of Alberta Service Desk call: 1-800-992-1144.

Alberta Energy Internet

Prices, Royalty Rates, and Transportation Information are available on the Alberta Energy Internet address: www.energy.alberta.ca, from "Our Business", navigate to "Natural Gas", "About Natural Gas", "Prices", "Alberta Natural Gas Reference Price (ARP)".

In addition, both the Gas Royalty Calculation Information Bulletins and Information Letters are also available under "Our Business", navigate to "Natural Gas", "Legislation, Guidelines & Policies".

Gas Royalty Client Services

Gas Royalty Client Services is structured as a Business Associate client portfolio system, which assigns a given Business Associate to one of four Client Service teams. Listed below is the portfolio breakdown along with Client Service Team Leads and phone numbers. The portfolios are divided by company name and not by BA ID.

Example: If your company name is the "Gas Company" you would call C – G team at 780-644-1202.

Business Associate	Phone Number and E-mail Address	Team Lead
Numbered companies, A, B & L	780-644-1201 GRCST1@gov.ab.ca	Mary Spearing
C – G	780-644-1202 GRCST2@gov.ab.ca	Todd Atwood
H – P (excluding L)	780-644-1203 GRCST3@gov.ab.ca	Chris Nixon
Q – Z	780-644-1204 GRCST4@gov.ab.ca	Jyoti Bhambhani

Gas Royalty Reception: 780-427-2962

Fax: 780-427-3334 or 780-422-8732

Alberta Toll Free: 780-310-0000

Hours of operation are 8:15 a.m. to 4:30 p.m. Voice messages left after 4:30 p.m. will be answered the next business day.

In situations where a company has just amalgamated or purchased another company, the general rule is to call the team that is responsible for the “Supra” business associate, or Royalty payer.

Below are some guidelines for clients who are unsure which Client Services Team to call regarding their questions.

1. **Amalgamation/consolidation** - Call the team responsible for the “Supra” business associate (Royalty Payer).
 - i.e. ABC Oil and Gas amalgamates with Zed Exploration and Zed is the amalgamator (royalty payer). When calling Client Services regarding business for ABC Oil and Gas you would call Team 4 (Q-Z) (780-644-1204) because Zed Exploration is now the Supra business associate and royalty payer. This rule would apply even if you were calling regarding business that is prior to the acquisition or amalgamation.
2. **Asset Purchase** - Call the team responsible for your company.
 - i.e. 123 Gas purchases the assets of TSP Exploration, but not the company. When calling Client Services regarding business for 123 Gas you would call Team 1 (# Co., A, B, & L) (780-644-1201) because you have only purchased assets. You would not be entitled to information regarding business for TSP Exploration that is prior to the asset purchase.
3. **Consultants/service providers** - If you have a contract to provide production accounting services to a company, call the team responsible for your client’s company.
 - i.e. Paul Snow Consulting Services enters into a contract with Duckback Oil and Gas and Olive Oil and Gas. Paul Snow would contact Team 2 (C-G) (780-644-1202) to discuss Duckback Oil business and Team 3 (H-P excluding L) (780-644-1203) to discuss Olive Oil and Gas business. At the time the contract is signed, Paul Snow would have had each company notify the appropriate team that he was authorized to access information for their company.

Reference Prices and Valuation Allowances Calculation Information

Gas Royalty Valuation and Markets
300, 801 – 6 Avenue SW
Calgary, Alberta T2P 3W2
Telephone: 403-297-5514
Fax: 403-297-5400



Deen Khan
Director, Gas Royalty Calculation
Gas Development

Attachments

2008 GAS AND ISC PRICES

MONTH	Gas Reference Price (\$/GJ)	Methane ISC Reference Price (\$/GJ)	Methane ISC Par Price (\$/GJ)	Ethane ISC Reference Price (\$/GJ)	Propane ISC Reference Price (\$/GJ)	Butane ISC Reference Price (\$/GJ)	Pentanes plus ISC Reference Price (\$/GJ)
JAN	6.19	6.13	6.13	6.61	6.80	6.83	6.86
FEB	6.72	6.66	6.66	7.20	7.40	7.44	7.46
MAR							
APR							
MAY							
JUN							
JUL							
AUG							
SEPT							
OCT							
NOV							
DEC							

Natural Gas and NGLs Select Prices for 2008		
Commodity	2008	
New Methane	1.496\$/GJ	
Old Methane	0.441 \$/GJ	
New Ethane	1.496 \$/GJ	
Old Ethane	0.441 \$/GJ	
Propane	1.496 \$/GJ	
Butane	1.496 \$/GJ	
Pentanes plus	53.49\$/m3	
Royalty Factors for Pentanes plus		
	Base	Marginal
New Pentanes	22	35
Old Pentanes	22	50

DETAIL OF THE FEBRUARY 2008 GAS AND ISC REFERENCE PRICES

	Gas	Methane	C2-IC	C3-IC	C4-IC	C5-IC	2007 Weighted Average Gas Reference Price (\$/GJ)
Weighted Average Price of Alberta	7.083	7.035	7.453	7.604	7.613	7.617	
Deductions: Intra – Alberta Transportation	0.276	0.294	0.167	0.118	0.091	0.069	
Marketing Allowance	0.012	0.012	0.012	0.012	0.012	0.012	5.892
Price Before Pipeline Factor	6.795	6.729	7.273	7.474	7.510	7.537	
Pipeline Fuel/Loss Factor	0.990	0.990	0.990	0.990	0.990	0.990	
Price before Special Adjustment	6.727	6.663	7.201	7.400	7.436	7.462	2007 Weighted Average OMAC (\$/GJ)
Special Adjustment	0.000	0.000	0.000	0.000	0.000	0.000	0.019
Price before 2% amendment limitation or rounding	6.727	6.663	7.201	7.400	7.436	7.462	
Amendments: Carry forward (from previous RP month)	0.001	0.003	0.001	-0.001	0.003	-0.005	
Prior Period Amendment Adjustment (current RP month)	-0.005	-0.006	-0.001	-0.001	-0.001	-0.001	
Calculated RP after Amendments	6.723	6.660	7.201	7.398	7.438	7.456	
FEBRUARY 2008 Reference Price	6.72	6.66	7.20	7.40	7.44	7.46	
Difference = value carried forward to next RP month	0.003	0.000	0.001	-0.002	-0.002	-0.004	
Adjusted IATD (before Prior Period Amendments)		0.291	0.166	0.117	0.090	0.068	
Prior period Amendments (IATD and Pipeline Fuel Loss)		0.000	0.000	0.000	0.000	0.000	
Adjusted IATD (after Prior Period Amendments)		0.291	0.166	0.117	0.090	0.068	

2008
NATURAL GAS LIQUIDS PRICES

MONTH	Ethane Reference Price (\$/GJ)	Ethane Par Price (\$/GJ)	Propane Reference Price (\$/m3)	Propane Par Price (\$/GJ)	Propane Floor Price (\$/m3)	Butanes Reference Price (\$/m3)	Butanes Par Price (\$/GJ)	Butanes Floor Price (\$/m3)	Pentanes plus Reference Price (\$/m3)	Pentanes plus Par Price (\$/m3)	Sulphur Default Price (\$ per tonne)
JAN	6.61	6.61	379.50	6.80	324.38	533.35	6.83	402.11	631.90	615.30	189.25
FEB	7.20	7.20	372.15	7.40	326.74	510.61	7.44	361.31	642.42	621.84	233.95
MAR											
APR											
MAY											
JUN											
JUL											
AUG											
SEPT											
OCT											
NOV											
DEC											

ANNUAL SULPHUR DEFAULT PRICE				
2002	2003	2004	2005	2006
\$6.74	\$31.24	\$31.90	\$33.98	\$18.82

2008
NGL TRANSPORTATION ALLOWANCE AND DEDUCTIONS

MONTH	PENTANES PLUS (a)				PROPANE AND BUTANE (b)				PENTANES PLUS, PROPANE & BUTANE (c)				FRAC. ALLOW. (per m3)
	REGION				REGION				REGION				
	1	2	3	4	1	2	3	4	1	2	3	4	
JAN	17.37	-0.22	62.47	29.39	35.99	24.98	32.04*	15.08	44.40	38.81	63.16	51.03	16.50
FEB	13.43	3.95	64.16	30.61	34.76	29.17	25.89	13.45	52.91	46.63	53.16	50.46	16.50
MAR													
APR													
MAY													
JUN													
JUL													
AUG													
SEPT													
OCT													
NOV													
DEC													

(a) Pentanes Plus obtained as a specification gas product,

(b) Propane and Butane obtained as specification products, and

(c) Pentanes Plus, Propane and Butane contained in a natural gas liquids mix.

* Current month calculated allowance is based on an estimate.

Note: For details on "Prior Period Amendment Effects", see Attachment 2A.

PRIOR PERIOD AMENDMENT EFFECTS												
NGL REFERENCE PRICES	February 2008											
	<i>Propane</i>	<i>Butanes</i>		<i>Pentanes</i>								
Price before amendments	372.149056	510.610899		642.412519								
Opening Rollover (from prior business mth)	0.004087	-0.003115		0.003442								
Prior Period Amendment Adj. (NGL-100)	0.000000	0.000000		0.000000								
Published Reference Price	372.15	510.61		642.42								
TRANSPORTATION ALLOWANCES	February 2008											
	Pentanes Plus				Propane and Butane				Pentanes Plus, Propane & Butane			
AMENDMENTS	Region 1	Region 2	Region 3	Region 4	Region 1	Region 2	Region 3	Region 4	Region 1	Region 2	Region 3	Region 4
Opening Rollover (from prior business mth)	0.000535	0.001870	-0.004777	0.002762	-0.003298	0.000661	0.002704	0.000216	-0.004092	0.002548	-0.000493	0.004338
Prior Period Amendment Adj. (NGL-100)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	-12.311808	0.000000	0.000000	0.000000	0.000000	0.000000
Total Amendment Effect	0.000535	0.001870	-0.004777	0.002762	-0.003298	0.000661	-12.309104	0.000216	-0.004092	0.002548	-0.000493	0.004338
Calculated Transp. Differential	13.434036	3.943143	64.162807	30.607447	34.761553	29.170037	38.203170	13.450543	52.913799	46.622499	53.161223	50.458960
Calculated Transp. Differential after Total Amendments	13.434571	3.945013	64.158030	30.610209	34.758255	29.170698	25.894066	13.450759	52.909707	46.625047	53.160730	50.463298
Published Transportation Allowance	13.43	3.95	64.16	30.61	34.76	29.17	25.89	13.45	52.91	46.63	53.16	50.46

Any estimates represented by () are calculated as the weighted average of the other regions for the same spec product transportation allowance, since the region is zero. The weightings are based on the previous year's production.

2008
ROYALTY RATES

MONTH	METHANE-OLD (% per GJ)	METHANE-NEW (% per GJ)	ETHANE - OLD (% per GJ)+	ETHANE - NEW (% per GJ)	PROPANE (% per m ³)	BUTANES (% per m ³)	PENTANES – OLD (POL) (% per m ³)	PENTANES - NEW (PNE) (% per m ³)
JAN	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.56587	33.86987
FEB	35.00000	30.00000	35.00000	30.00000	30.00000	30.00000	47.59147	33.88175
MAR								
APR								
MAY								
JUN								
JUL								
AUG								
SEPT								
OCT								
NOV								
DEC								

AC2 GCA Form – Grace Period**Invoice Blackout Period:**

The timeframe when the Crown Royalty invoice is calculated and verification is completed. During this period, Industry may make submissions to PRA however submission confirmation and processing by MRIS is not completed.

Example:

A client submits an AC2 on the April 30 deadline. If the submission fails edits and is rejected a rejection notification will be sent overnight to the client to review on May 1.

The client has 15 days to re-submit the AC2 prior to the March 2008 invoice run in May. The invoice will commence calculation on May 16th therefore no submissions will be processed by MRIS during the invoice blackout period. If a corrected re-submission is not received by May 15, a penalty for failing to file will be assessed.

Once the completed March invoice has been released to Industry, the client has an additional 20 days to re-submit the system acceptable AC2.

This timeframe includes the 15 day grace period. The penalty will be reversed if the submission is received within this 20 day period.

**Total Number of Days to Amend
& Re-Submit = 35 Days**

April 2008						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30 AC 2 Deadline			

 Invoice Blackout Period.

May 2008						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1 Rejection Notification	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

 Open period for re-submission.

 Invoice Blackout Period – Rejected AC2 documents will trigger potential penalty during this invoice run.

June 2008						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

 15 Day Grace Period for amendment and re-filing of AC2 submissions thereby eliminating the penalty being charged in this invoice run.

 Invoice Blackout Period.

AC5 GCA Form – Grace Period

Invoice Blackout Period:

The timeframe when the Crown Royalty invoice is calculated and verification is completed. During this period, Industry may make submissions to PRA however submission confirmation and processing by MRIS is not completed.

Example:

A client submits an AC5 on the May 15 deadline. If the submission fails edits and is rejected a rejection notification will be sent overnight to the client to review on May 16. This triggers a 15 day grace period for re-submission of a system acceptable AC5. The invoice will commence calculation on May 16, therefore no submissions will be processed by MRIS during the invoice blackout period.

May 2008						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15 AC5 Deadline	16 Rejection Notification	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

 Invoice Blackout Period.

 Open period for re-submission.

Once the completed March 2008 invoice has been released to Industry, the client has 20 days to re-submit a system acceptable AC5. This timeframe includes the 15 day grace period.

June 2008						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

 15 Day Grace Period for amendment and re-filing of a system acceptable AC5.

 Invoice Blackout Period.